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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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In the Matter of)	
)	CC Docket No. 96-98
Iowa Utilities Board's)	NSD File No. L-99-96
Petition for Delegation of Additional)	DA 99-2770
Authority to Implement Number)	
Conservation Measures)	

COMMENTS OF AT&T CORP.

Pursuant to Section 1.3 of the Commission's Rules, 47 C.F.R. § 1.3, AT&T Corp. ("AT&T") hereby submits its comments on the Iowa Utilities Board's ("IUB") petition for additional authority to implement number conservation measures and for waiver of the Commission's ten-digit dialing requirement ("Petition").¹

Nearly half of the nation's state commissions have now filed petitions² seeking a broad delegation of power over number administration pursuant to the Commission's recent Pennsylvania Order.³ On September 15, 1999, the Commission granted in part waiver requests

¹ Iowa Utilities Board, Petition for Delegation of Additional Authority and Request for Limited Waiver of Ten-Digit Dialing Requirements, NSD File No. L-99-96, filed November 8, 1999 ("Petition").

² As of the date of the instant pleading, at least twenty-three state commissions have filed petitions seeking delegated authority over number administration. In addition to the IUB petition, petitions have been filed by state commissions from Arizona, California, Colorado, Connecticut, Florida, Georgia, Indiana, Maine, Massachusetts, Missouri, Nebraska, New Hampshire, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Texas, Utah, Virginia, Washington, and Wisconsin.

³ In the Matter of Petition for Declaratory Ruling and Request for Expedited Action on the July 15, 1997 Order of the Pennsylvania Public Utility Commission Regarding Area

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by the state commissions for California, Florida, Massachusetts and New York that sought authority that was substantively identical in large measure to that the IUB seeks here. Two weeks later, the Commission granted the Maine commission -- which sought relief from the alleged burdens of NPA proliferation in a state that has only one area code -- authority essentially identical to that granted in the September 15th waivers. On November 30, 1999, the Commission granted five additional state waiver requests, authorizing the state commissions for Connecticut, New Hampshire, Ohio, Texas, and Wisconsin to implement some or all of the same conservation measures permitted by the four original waivers.

Because the many state commission numbering petitions filed to date largely seek the same relief and raise substantively identical claims, AT&T will not burden the record by repeating the arguments it has offered in response to those previous waiver requests, but instead hereby incorporates into these comments by reference its prior pleadings concerning each of the state petitions, as well as its prior comments concerning waivers of ten-digit dialing.⁴ In addition, AT&T hereby incorporates into this pleading by reference its pleadings addressing the Commission's recent Numbering Resource Optimization NPRM ("NRO NPRM").⁵

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Codes 412, 610, 215, and 717, Memorandum Opinion and Order and Order on Reconsideration, 13 FCC Rcd 19009 (1998) ("Pennsylvania Order").

⁴ E.g., Comments of AT&T Corp., filed September 16, 1999 in Petition Of The Illinois Commerce Commission For Temporary Waiver Of 47 C.F.R. § 52.19(c)(3)(ii), NSD File No. L-99-65; Reply Comments of AT&T Corp., filed September 30, 1999 in id.

⁵ Numbering Resource Optimization, Notice of Proposed Rulemaking, CC Docket No. 99-200, released June 2, 1999 ("NRO NPRM").

The IUB's petition implicates two critical issues that the Commission has not previously addressed in the context of state commission petitions for numbering authority. First, as AT&T described in its recent comments on the Nebraska and Iowa commissions' petition for authority over numbering, U S West, Iowa's incumbent BOC, has instituted a policy that requires local number portability-capable carriers to use a separate location routing number ("LRN") for every rate center from which they wish to receive ported numbers, and to obtain each LRN from a unique NXX assigned to that carrier.⁶ As AT&T explained in its reply comments on the NRO NPRM, this policy effectively makes number pooling impossible, because it requires each CLEC to obtain a full NXX in each rate center it wishes to serve.⁷ Ironically, U S West supported number pooling in its comments on the NRO NPRM, despite its LRN per rate center policy. As AT&T also showed in the NRO NPRM, U S West's policy is directly contrary to industry guidelines as well.⁸ Indeed, the industry's position on this issue is so clear that, to the best of

⁶ AT&T also discussed U S West's LRN per rate center policy in Reply Comments of AT&T Corp., p. 30 & Appendix B, filed August 30, 1999 in the NRO NPRM. U S West established its LRN per rate center policy over AT&T's clearly stated written objections, as shown in the correspondence attached as Appendix B to AT&T's NRO NPRM reply. Copies of AT&T's letters to U S West concerning that RBOC's LRN per rate center policy are attached to the instant comments as Exhibits 1-3.

⁷ U S West's LRN requirement also could negate wireless carriers' ability, once they become LNP-capable, to utilize numbers efficiently. Although wireless providers do not currently need an NXX for every rate center in which they provide service, application of U S West's requirement would force them to obtain codes in every rate center they serve, needlessly promoting number exhaust. In addition, it is currently possible -- in every ILEC's territory other than U S West's -- for wireline carriers to share a single NXX across multiple switches in a single rate center. U S West's policy, however, will require carriers to obtain an NXX per switch in such cases, again requiring inefficient use of numbering resources.

⁸ Significantly, not only is U S West itself violating industry guidelines, its policy also forces every other LNP-capable carrier that wishes to compete in its territory to violate

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AT&T's knowledge, U S West is the only ILEC seeking to require the use of an LRN per rate center.

Thus, to the extent that any state commission wishes to establish thousands block number pooling in U S West's territory or that the Commission seeks to do so in the NRO docket, U S West must be required to abandon its misguided and anticompetitive LRN per rate center policy. Moreover, even in the absence of pooling, U S West's policy forces other carriers to waste numbering resources, and to incur unjustified expenses in order to modify their operations in a manner that renders them noncompliant with industry guidelines. Accordingly, AT&T requests that the Commission clarify as part of any decision that it issues in the instant proceeding that U S West may not require other carriers to utilize an LRN per rate center. The Nebraska Public Service Commission also requested in its reply comments concerning its recent waiver request that the Commission take action against U S West's LRN per rate center policy.⁹

Second, the IUB seeks a waiver of the Commission's ten-digit dialing requirement for NPA overlays.¹⁰ The Commission has, however, repeatedly reaffirmed its ten-digit dialing rule,

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those guidelines.

⁹ See Nebraska PSC, Reply Comments, filed December 17, 1999, pp. 1-2 in Nebraska Public Service Commission Petition Delegation of Additional Authority To Implement Number Conservation Measures, NSD File No. L-99-83.

¹⁰ See Petition, pp. 7-10.

most recently by denying petitions for reconsideration of its Second Local Competition Order,¹¹ and there is no basis for it to revisit that conclusion in the instant proceeding.

Nothing in the Petition addresses the fundamental competitive concerns that underlie the ten-digit dialing requirement. Instead, the IUB states, without providing reasons and without attempting to rebut the Commission's repeated findings to the contrary, that its plan to "phase-in" ten-digit dialing via an untested methodology would be "competitively neutral."¹² The Petition's showing is plainly inadequate to justify departure from the Commission's longstanding rule.¹³ Indeed, it is readily apparent that the Petition's proposal would not address the fundamental concerns that led the Commission to impose the ten-digit dialing requirement: ILECs will control vastly more numbers in the more desirable, existing NPA than will any CLEC, and most telephone customers initially will place calls chiefly to the old NPA. Gradually "phasing-in" a requirement that customers in the existing NPA dial ten-digits will not make it any less likely that customers in the new NPA will be forced to call to the old NPA -- and therefore to dial ten-digits -- far earlier and far more often than residents who have numbers in the old NPA. Moreover, the IUB's proposal seems certain to lead to widespread customer confusion, as ten-

¹¹ Third Order on Reconsideration of Second Report and Order, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98, FCC 99-243 (released October 21, 1999).

¹² Petition, p. 9.

¹³ A petitioner seeking waiver of the Commission's rules must show "good cause" why the rule should be suspended, amended, or revoked. 47 C.F.R. § 1.3. This standard poses a "high hurdle" because it requires a petitioner to "plead with particularity the facts and circumstances which warrant [the waiver]." Rio Grande Family Radio Fellowship, Inc. v. FCC, 406 F.2d 664, 666 (D.C. Cir. 1968).

digit dialing would be implemented on an exchange-by-exchange basis over an indeterminate period of time.

The state numbering petitions granted to date strongly suggest that the Commission is prepared to grant to any state that requests it authority that, by the Commission's own admission, "goes beyond the parameters outlined in the [Pennsylvania Order]."¹⁴ For example, the Commission based its grant of additional authority to the Maine commission on the fact that the 207 NPA was nearing exhaust "despite the existence of a high number of unused numbers in this code."¹⁵ The Commission has long recognized, however, that because the current numbering system requires the assignment of numbers in blocks of 10,000, and requires wireline carriers to obtain an NXX code in every rate center they wish to serve (there are over 220 rate centers in Maine's single area code), CLECs will almost inevitably have a relatively large proportion of "unused numbers" when they enter the market.¹⁶

The rationale underlying the waiver granted to the Maine commission thus potentially applies with equal force to virtually every NPA. Moreover, because no state numbering petition filed to date provides information as to how the petitioning state commission proposes to implement programs such as number pooling or number reclamation, the potential for widely

¹⁴ E.g., Order, Massachusetts Department of Telecommunications and Energy's Petition for Waiver of Section 52.19 to Implement Various Area Code Conservation Methods in the 508, 617, 781 and 978 Area Codes, CC Docket No. 96-98, NSD File No. L-99-19, ¶ 6, released September 15, 1999.

¹⁵ Order, Maine Public Utilities Commission Petition for Additional Delegated Authority to Implement Number Conservation Measures, CC Docket No. 96-98, NSD File No. L-99-27, ¶ 5, released September 28, 1999.

¹⁶ See, e.g., NRO NPRM, ¶ 20.

varying standards -- or even outright conflicts among the states -- is high.¹⁷ In effect, the Commission appears to have modified its longstanding numbering rules and policies without adequate prior notice, and without offering an adequate explanation for abandoning its previous conclusion that permitting state commissions to proceed with numbering administration measures "on a piecemeal basis" could "jeopardiz[e] telecommunications services throughout the country."¹⁸

AT&T already has begun to work with the state commissions that have obtained numbering waivers, and intends to continue to cooperate fully in their efforts to implement thousands block pooling and the other measures the Commission recently authorized. AT&T also intends to participate in similar efforts by other state commissions that may obtain grants of numbering authority. Nevertheless, AT&T continues to urge the Commission to move forward promptly with the adoption of national conservation standards, and to limit the number of states to which it grants numbering waivers. As the state commissions' *seriatim* requests for delegated authority make clear, the circumstances prompting the instant petition are not unique to any one

¹⁷ For example, while the Commission's state numbering waiver orders urge state commissions to adhere to "industry adopted thousands-block pooling guidelines," it permits them to modify those guidelines after "consult[ing] with the industry." E.g., Order, Petition of the California Public Utilities Commission for Delegation of Additional Authority, CC Docket No. 96-98, NSD File No. L-98-136, ¶ 14, released September 15, 1999 ("California Waiver Order"). Other aspects of the numbering waivers granted to date are similarly unclear as to precisely what constraints the Commission imposed on state commissions' discretion to adopt state-specific numbering requirements.

¹⁸ Pennsylvania Order at 19022 ¶ 21. As AT&T has stated previously, it does not contend that state commissions are incapable of crafting workable numbering policies, but rather that the decisions of dozens of autonomous regulatory bodies will inevitably diverge from -- and even directly conflict with -- one another.

state, or even to a small group of states, but are national issues for which national solutions are essential. If the Commission were to grant authority over number conservation to each state that has requested (or that is likely to request) that power, the integrity of the NANP could be threatened by a myriad of competing and conflicting standards, and the timeline for implementing national number optimization policies would be significantly lengthened because carriers would be forced to devote their limited resources to developing and implementing multiple state trials.¹⁹

Finally, it is imperative that the Commission make clear in any order delegating authority over numbering that a state may not refuse to implement needed NPA relief while it undergoes preparations for number conservation measures that it hopes may eventually permit it to extend the life of NPAs. Despite the Commission's explicit warning that the numbering waivers it has granted to date "are not intended to allow [state commissions] to engage in number conservation measures to the exclusion of, or as a substitute for, unavoidable and timely area code relief,"²⁰ some states already have suggested that they intend to utilize rationing to artificially extend the life of existing NPAs while they prepare for pooling or other measures. Although the Commission's prior waiver decisions admonished that "[u]nder no circumstances should consumers be precluded from receiving telecommunications services of their choice from

¹⁹ Although the numbering waivers granted to date express the Commission's willingness to ensure that state commissions adhere to the "competitive neutrality" requirement and other provisions of its rules, the reality is that carriers seeking to compete in rapidly changing telecommunications markets can ill afford the delay and uncertainty that inevitably result from disputes over varying state-created numbering policies.

²⁰ E.g., California Waiver Order, ¶ 9.

providers of their choice for a want of numbering resources,"²¹ there is a real and present danger that that situation will occur.²² In any subsequent numbering waiver that it may grant, the Commission should clarify that it does not -- and did not previously -- intend to permit state commissions to deny numbering resources to carriers during any interim period while a state prepares to implement optimization measures.

²¹ E.g., id.

²² See generally Letter from Tina S. Pyle, MediaOne Group, Inc., to Yog R. Varma, Deputy Bureau Chief, Common Carrier Bureau, Federal Communications Commission (September 29, 1999) (documenting MediaOne's inability to obtain numbering resources necessary to provide residential wireline telephone service to "over 290,000 additional households").

CONCLUSION

AT&T urges the Commission to establish national conservation standards as expeditiously as possible to provide necessary relief to all states, carriers, and consumers on an equitable basis; and to act on the instant petition in a manner consistent with AT&T's comments and reply comments concerning prior state commission numbering waiver requests and the NRO NPRM.

Respectfully submitted,

AT&T CORP.

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January 10, 2000

AT&T EXHIBIT 1

August 19, 1999



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Re: U S WEST's Requirement - One LRN per Rate Center

Dear Beth:

This letter responds to your memo sent via electronic mail on July 29, 1999, where you sought to defend U S WEST's policy requiring all CLECs to establish an LRN per U S WEST toll rate center. As we have discussed before, U S WEST is not in compliance with the INC industry guideline - Location Routing Number Assignment Practices. Your suggestion this guideline is optional is inaccurate and self-serving. Moreover, as U S WEST itself has repeatedly stated, the interconnection agreements require the parties to adhere to industry standards. In fact, many of our interconnection agreements require the parties "use scarce numbering resources efficiently" and comply with code administration requirements prescribed by the FCC, state commissions and accepted industry guidelines. Based on your memo and U S WEST's practice, it appears U S WEST will adhere to industry standards (and the requirements of the interconnection agreements) only when it is convenient for U S WEST.

We have reviewed current switch documentation and it is clear the industry guideline calling for one LRN per LATA per switch is appropriate and technically feasible. All it takes is desire on the part of the carrier owning the switches and proper construction of the routing tables. I understand U S WEST may need to purchase some software and do some programming in its switches, but it is U S WEST's responsibility to do just that to adhere to this very important industry guideline and to properly use the industry's limited numbering resources. It is ironic you refer to the U S WEST network architecture (based upon separation of toll and local traffic) as being a significant (if not the sole) contributing factor to the "significant additional expense" you claim U S WEST will incur to become compliant with industry standards. U S WEST is the only RBOC in the country that established this separation and, as a result, appears to be the only RBOC refusing to adhere to the industry requirements for LRN. In 1997, when U S WEST indicated it would increase the use of local tandems, AT&T objected that this was simply an attempt to slow the entry of local competition. This latest problem, if substantiated, further validates that concern.



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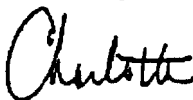
Ms. Beth Halvorson
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August 19, 1999

In your memo you state, "operational and billing problems that would arise with the use of only one LRN per LATA outweigh any concerns" about impacts to numbering resources. I am confident U S WEST is the only Company to hold this view in light of the fact this policy will impact all the carriers and state commissions in the U S WEST territory. With each CLEC having to use a 10,000 block of numbers per toll rate center in the U S WEST territory, this policy will unnecessarily tie up hundreds of thousands of numbers. I believe the FCC will also take a different view in light of the fact the Section 271 checklist includes items on "numbering resources" and "number portability", both of which are impacted by this U S WEST policy. You state in your memo that if AT&T does not adhere to U S WEST's policy of one LRN per toll rate center, AT&T runs the risk of preventing its customers from receiving calls. Your point of view has clouded your perception of reality. Because U S WEST refuses to adhere to industry guidelines and make proper upgrades to its network (if any are truly needed), U S WEST will block calls to AT&T customers ported away from U S WEST. In fact, AT&T customers have already had this frustrating and extremely disruptive experience. Please refer to my letter dated July 22, 1999, regarding the Pep Boys outage as an example of a more recent adverse customer impact. I know that the AT&T account team at U S WEST has heard of other customer problems resulting from this unreasonable U S WEST policy.

The "learning example" you provided in your memo is extremely unclear. I frankly don't understand how it supports the U S WEST policy. Please provide us with the full set of minutes and identify the carrier representative (including telephone number, e-mail address and company name) who made this statement.

In light of the foregoing, U S WEST is obligated to adhere to the INC guideline and make the changes in its network necessary to accommodate that guideline. Based on your memo, U S WEST is capable of meeting the guideline with some investment in its network. I need to understand what work U S WEST will do to bring its routing tables for LRN into compliance with industry guidelines and its interconnection agreements with AT&T, and how long this will take. AT&T's market entries are being delayed because of U S WEST's failure to comply. Moreover, the ability of our customers to receive calls is being impacted by U S WEST's dismissal of the INC guideline. While U S WEST is working on the permanent solution, I need U S WEST to provide a work around process that will not require AT&T to tie up 10,000 blocks of numbers, but will allow our customers to receive all of the calls placed to them. Please respond by August 26th with U S WEST's plan for meeting these compliance issues and the work around you are able to deploy quickly.

Sincerely,



AT&T EXHIBIT 2

September 30, 1999



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Re: U S WEST Requirement of one LRN per Rate Center

Dear Beth,

This letter is a result of several weeks of AT&T's attempts to arrive at a feasible solution to U S WEST's requirement that all Competitive Local Exchange Carriers (CLECs) create separate Location Routing Numbers (LRNs) for each rate center. AT&T has built its local network and provisioning processes in accordance with national guidelines set forth by the Industry Numbering Committee (INC), a subcommittee of the Alliance for Telecommunications Industry Solutions (ATIS). As detailed below, these guidelines indicate that LRNs are not required on a per rate center basis. Furthermore, the guidelines specifically discourage per rate center LRN assignment since such a practice will promote number exhaust and prevent the effective use of number pooling. AT&T cannot readily comply with USWEST's requirement, and will not be a party to planned number exhaust; the inevitable result of U S WEST's requirement. As you know, in order to adhere to the LRN per-rate-center requirement, each CLEC will have to obtain a Central Office Code (10,000 numbers) in each rate center. For example, based on U S WEST's representation, there are eleven rate centers in the Denver local calling area that would need to be covered. If AT&T adheres to U S WEST's requirement, AT&T will have to obtain a minimum of 110,000 numbers. If there are just five CLEC switches in the Denver local calling area, they will collectively tie up 550,000 numbers. When multiplied across the entire fourteen-state U S WEST service territory, the volume of numbers consumed will be huge.

The dialog between AT&T and U S WEST culminated in a meeting on September 13, 1999 with several Subject Matter Experts (SMEs) from both companies. Those in attendance were:

- AT&T: Betty Jo Page, Tim Boykin, Penn Pfautz, Aleta Trujillo, Ed Gould, and JoAnn Costanzo.
- USWEST: Patty Hahn, Garry Beightol, Tim Bessey, Deb Doty, Jeana Elijah-Asnicar, Brenda Palmquist, Inez Lucero, Vicki Peterson, C. Barbknecht, Traci Zamarripa, Jeff Mitchell, Wayne McCarthy.

U S WEST personnel on this call told us that U S WEST's separation of its local and toll networks is the key factor behind U S WEST's policy requiring an LRN per rate center. As a result of the separation of U S WEST's local and toll networks, U S WEST has elected to perform post LNP query screening on the LRN returned for call routing in place of the "called" (dialed to) number. If the LRN contains an NXX code that would be toll, then even though the call is a properly dialed local call, the screening will, in certain switch types, cause the call to be denied. According to U S WEST personnel, the purpose of the screening is to ensure a toll call is billed for access usage charges. AT&T pointed out industry

requirements state the "called" (dialed to) number rather than the LRN is to be used for decisions about whether a call is local or toll. And, with proper translations, calls to ported numbers could be routed through the appropriate local or toll interconnection without requiring an LRN per rate center.

U S WEST personnel acknowledged that it was technically possible to remove the screening and populate the necessary routing for calls to complete under AT&T's current LRN assignment practices. U S WEST personnel further indicated the use of screening is a business and policy decision on US WEST's part rather than a technical one.

We were told that U S WEST planned meetings the same week to discuss this issue internally and AT&T requested that U S WEST provide a written read out of the meetings, including any interim solutions U S WEST would propose. Also, a follow-up meeting between U S WEST and AT&T was scheduled for Friday, September 17th, to discuss an interim solution. U S WEST responded to AT&T via voice mail on Friday morning, September 17, with a message stating that U S WEST would not change its policy and that U S WEST had not identified any interim solution. On September 20, 1999, AT&T received an e-mail from U S WEST's Wholesale Account Team stating that the position still stands. The e-mail also stated that an AT&T representative was involved in industry discussions in the spring of 1999 and had not challenged the "one LRN per rate center issue". This is an odd assertion, because shortly after becoming aware of this issue, the AT&T representative referred it as a problem to the AT&T Vendor Management Team. The claim that AT&T did not object initially has no merit in light of the fact that AT&T has been trying to work toward resolution to this issue since June 1999, and we have experienced several customer affecting incidents as a result of this non-standard policy.

The crux of the problem for customers is that if CLECs do not create a separate LRN per rate center, CLEC customers ported away from U S WEST will not receive certain calls dialed to them. Put another way, calls to such customers are blocked by U S WEST as a result of U S WEST's LRN-per-rate-center requirement that is based on U S WEST's insistence on screening that is totally unwarranted and unnecessary. People calling such CLEC customers get confusing and incorrect recorded messages from U S WEST. When the number is dialed as a local call, the U S WEST recording states that the calling party must dial a one in order to complete the call. When the calling party does this, U S WEST provides a recorded message stating that the calling party need not dial a one and should dial the number as a local call for it to complete. This becomes an endless loop where the calling party cannot get through to the CLEC customer. Needless to say, this is extremely frustrating and disruptive.

The INC LRN Assignment Practice clearly states in item 2, "A unique LRN may be assigned to every LNP equipped switch (and potentially to each Common Language Location Identifier, CLLI listed in the Local Exchange Routing Guide, LERG). A service provider should select and assign one (1) LRN per LATA within their switch coverage area. Any other LRN use would be for internal purposes. Additional LRNs should not be used to identify US wireline rate centers." Adhering to the accepted industry practice will use only a fraction of the numbers that will be needed to meet the U S WEST non-standard requirement. Moreover T1S1.6 requirements for Number Portability also assume an LRN per LATA as sufficient. While U S WEST states that the INC practice is only a guideline, AT&T notes that: 1) US WEST participated in the industry forums that developed the INC and T1S1.6 documents and did not oppose them; and, 2) U S WEST is not only violating these guidelines in its own LRN assignments, but is insisting other companies violate them as well.

U S WEST is the only ILEC subscribing to this LRN policy, a policy that will greatly accelerate number exhaust. This practice is also anti-competitive, and has no technical reason to exist. As referenced above, U S WEST's SMEs stated this is not a technical problem, but instead, a policy decision by U S WEST. The U S WEST SMEs went on to say the separation of the local and toll network is the primary reason for this policy requirement. Moreover, it appears U S WEST could resolve this problem by simply

Ms. Beth Halvorson
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eliminating the post query screening and populating routing for AT&T's LRNs in the local tandem where such routing does not already exist. Therefore, this policy persists solely as a result of U S WEST's unwillingness to conform to industry standards, not through a lack of technical capability. AT&T believes US WEST will almost certainly be required to abandon its requirement anyway in the likely event number pooling is ordered.

AT&T's good faith efforts to arrive at a solution which would be feasible for both companies has proven futile. AT&T waited for several weeks for U S WEST to make SMEs available to explain the reasons for U S WEST's requirement. AT&T allowed U S WEST's SMEs additional time to arrive at an interim solution in the hope U S WEST would realize it cannot sustain such an indefensible position. However, we have been met with the same answer time and again, "U S WEST will adhere to its original policy". U S WEST's incessant delays have had an adverse affect upon AT&T's ability to enter the local market in the fourteen-state U S WEST territory.

AT&T has no choice but to pursue resolution of this issue through any available process and forum, including in the proceedings by which U S WEST seeks approval from state commissions of the U S WEST merger with Qwest. U S WEST's position on this issue is not only unacceptable to the industry, but also untenable in that it is only practiced in the U S WEST territory and is contrary to national standards. This policy is delaying the entry of CLECs into the local market, and the impact on numbering exhaust will soon be felt across the industry.

Sincerely,

Charlotte
(ma)

AT&T EXHIBIT 3

November 19, 1999



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Re: U S WEST's Requirement of One LRN per Rate Center

Dear Beth,

After receiving your letter of November 9, 1999, I cannot help but be concerned U S WEST either does not understand even the rudiments of the many problems surrounding its "LRN per rate center" requirement, or you sent your letter as a distraction intended to continue to delay resolution of this issue. Your entire letter demonstrates nothing more than the well-understood reality that under the current system of number administration, carriers must obtain a NXX in every rate center in which they wish to assign numbers to customers. AT&T agrees that this is so. However, that fact provides no support of any kind for U S WEST's requirement that every CLEC must establish a distinct LRN per U S WEST rate center in order to port customer numbers away from U S WEST. Indeed, U S WEST's failure to address any pertinent issue in the November 9th letter suggests that it has no substantive justification for its policy and now seeks to simply cloud the record.

AT&T has repeatedly stated its objections to U S West's policy, but has yet to receive a response actually addressing the issues at hand. Your November 9, 1999, letter certainly did not do so. It sought to put the focus of attention away from U S WEST's failure to adhere to industry standards. This failure has an anti-competitive impact on competitive local exchange carriers. U S WEST needs to respond in a meaningful way to my letter of September 30, 1999.

As stated above, AT&T does not dispute a carrier must currently establish a NXX in each rate center where it wishes to assign new numbers to customers. However, this necessarily will change when number pooling is put into effect. AT&T, U S WEST and many other carriers are participants in the FCC's Number Resource Optimization ("NRO") docket. In that docket both AT&T and U S WEST supported thousands block number pooling and agreed it is an important solution to the widespread concern over

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number exhaust. Once number pooling is established, multiple carriers can (and must) share a NXX for use in the same rate center. A carrier then will only require a single LERG-assigned NXX per LATA in order to have a LRN and participate in pooling. However, after number pooling is implemented, U S WEST will still require each CLEC obtain a LRN (and thus a NXX) per rate center. As AT&T established in its prior letters, U S WEST's policy will continue to tie up an entire 10,000 number block per rate center and maintain a status quo the industry (including U S WEST) accepts as being a primary cause of number exhaust. In short, U S WEST's LRN per rate center policy will make thousands block number pooling impossible in the fourteen-state U S WEST territory.

U S WEST's comments in the FCC's NRO docket reveal several striking ironies. Most obviously, U S WEST's comments support thousands block number pooling. Such pooling will not be possible so long as U S WEST's LRN per rate center policy continues in effect. In addition, U S WEST's comments unequivocally acknowledge that the INC is the industry body of subject matter experts in this area and that the D-digit issue should be left with that body for resolution. The industry guideline AT&T has repeatedly requested U S WEST follow is the INC's Location Routing Number Assignment Practice. It is unclear why U S WEST is willing to defer to the INC with regard to the D-digit issue, but rejects that organization's LRN assignment practice's clear guidance "LRNs should not be used to identify US wireline rate centers."

An issue I have not specifically pointed out in previous correspondence is the impact of U S WEST's one LRN per rate center policy when permanent number portability comes into effect for wireless carriers in 2002. Pursuant to U S WEST's policy, each wireless carrier will have to obtain a NXX for each rate center from which it wants to port customers. Wireless carriers are not required to obtain a NXX for each rate center in which it has customers today. Instead, wireless carriers normally request NXXs for only some of the rate centers in the areas they serve. Because of the nature of wireless service, wireless carriers are able to assign numbers from these NXXs to customers whose nominal location (wireless users are by definition mobile) is outside the rate center associated with the NXX of the number assigned. In this way, wireless carriers achieve high utilization within their assigned NXXs. US West's policy will force wireless carriers to obtain additional NXXs not otherwise required and in turn unnecessarily impose significant strains on already taxed numbering resources.

While a carrier currently needs a NXX per rate center to assign new numbers to its customers, it can port existing numbers without obtaining a NXX in a rate center. Or rather, a carrier can do this in every territory in the country except U S WEST's. Further, AT&T and other carriers may have multiple switches serving customers in the same rate center. Currently, AT&T does not obtain a NXX in each rate center for each switch unless it expects significant numbers of customers on each switch. Instead, AT&T

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internally ports numbers in the needed rate center from switches to which such NXXs are assigned. U S WEST's policy will force AT&T to request additional NXXs that would not otherwise be required, once again unnecessarily taxing industry numbering resources. In addition, as U S WEST well knows, industry procedures require approximately two months to put a new NXX in service. Thus, U S WEST's policy also will delay AT&T's market entry and is anti-competitive, because if AT&T must obtain additional NXXs for switches that do not require them today, it will be unable to provide service from those switches for at least two months (and potentially longer in areas in which NXX rationing is in effect).

AT&T has no desire to dictate the terms on which U S WEST designs or operates its own network. However, U S WEST's misguided LRN per rate center policy affects not only its own operations, but also those of every carrier seeking to compete within U S WEST's territory. This is not merely a question of U S WEST choosing to adopt a policy directly opposed to industry guidelines. Rather, U S WEST's policy seeks to force other carriers to modify their operations so as to violate those same guidelines, incur unnecessary expense, waste scarce numbering resources, and render thousands block number pooling impossible.

Finally, your letter's contention AT&T has shared my September 30th letter with most of the state commissions in U S WEST's territory is mistaken. However, since you sent your November 9th letter to each of those commissions, I have also sent this letter and my September 30th letter to those agencies as well, so that they will be fully informed regarding this dispute.

It is my sincere hope U S WEST will join the rest of the telecommunications industry in a forward-looking approach to the number exhaust issue, and abandon its efforts to obfuscate this straightforward issue.

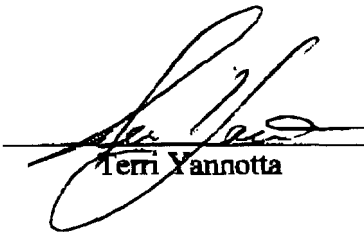
Sincerely,

Charlotte

CERTIFICATE OF SERVICE

I, Terri Yannotta, do hereby certify that on this 10th Day of January, 2000, a copy of the foregoing "Comments of AT&T Corp." was served by U.S. first-class mail, postage prepaid to the party listed below:

Allan Kniep
David Lynch
William H. Smith, Jr.
Aaron D. Beckerman
Iowa Utilities Board
350 Maple Street
Des Moines, Iowa 50319



Terri Yannotta

January 10, 2000